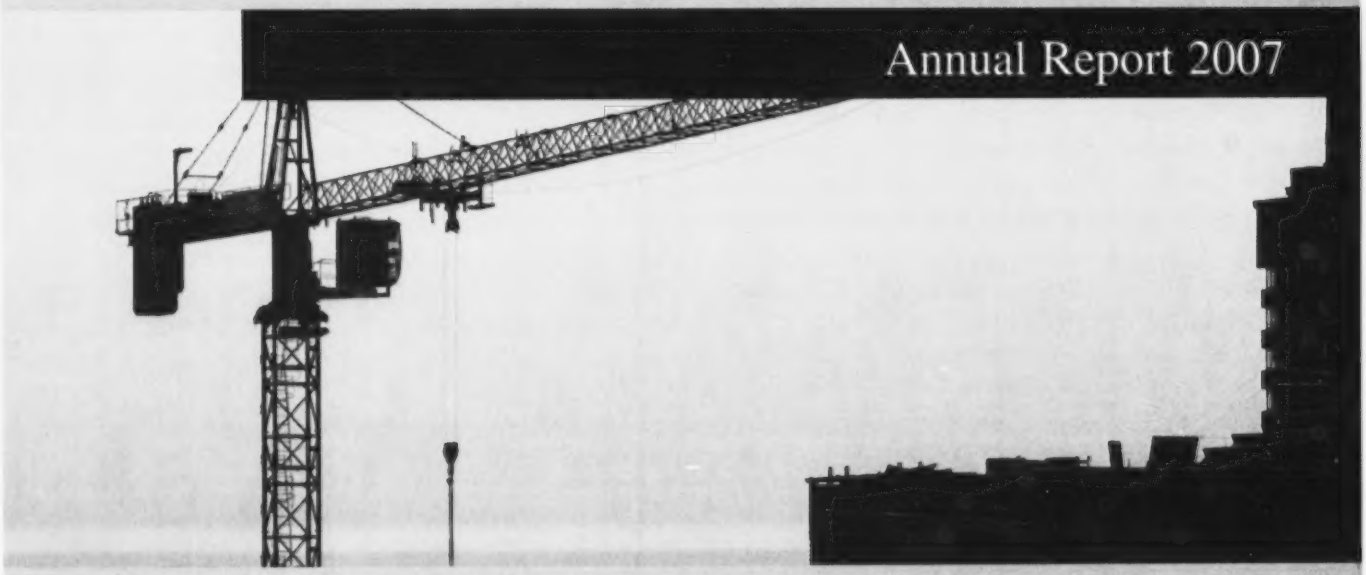
The Conference Board of Canada
Insights You Can Count On



Annual Report 2007

Building a Stronger Canada

The Conference Board of Canada
Insights You Can Count On

About The Conference Board of Canada

We are:

- A not-for-profit Canadian organization that takes a business-like approach to its operations.
- Objective and non-partisan. We do not lobby for specific interests.
- Funded exclusively through the fees we charge for services to the private and public sectors.
- Experts in running conferences but also at conducting, publishing and disseminating research, helping people network, developing individual leadership skills, and building organizational capacity.
- Specialists in economic trends, as well as organizational performance and public policy issues.
- Not a government department or agency, although we are often hired to provide services for all levels of government.
- Independent from, but affiliated with, The Conference Board, Inc. of New York, which serves nearly 2,000 companies in 60 nations and has offices in Brussels and Hong Kong.

Vision

The Conference Board will be recognized as Canada's most influential, independent source of insights for leaders.

Mission

The Conference Board builds leadership capacity for a better Canada by creating and sharing insights on economic trends, public policy and organizational performance.

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2008 National Capital Region's **Top 20** Employers
As featured in the OTTAWA CITIZEN

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An Overview

The Conference Board of Canada is widely recognized as Canada's foremost independent, not-for-profit research organization. Funded exclusively through revenues from providing services to members, we:

- conduct and disseminate timely research;
- make forecasts and assess trends;
- facilitate group learning through conferences and peer-to-peer networks;
- develop individual skills; and
- build organizational capacity.

Specialists in economic trends, public policy, and organizational performance, we draw our insights from a comprehensive view of socio-economic conditions and trends across Canada and internationally.

Our History

The Canadian office of the New York–based Conference Board Inc. was founded in Montréal in 1954. After moving to Ottawa in 1971, it became the independent Conference Board of Canada in 1980. For more than 50 years, Canadian businesses and governments have sought the Board's expertise in independent research, analysis, and dialogue facilitation. Over the decades, we have broadened our research focus beyond analysis of economic trends to practical strategies and policy recommendations in organizational performance and public policy. Today, our mission is to build leadership for a better Canada, and we do this by providing the global insights that Canadian leaders need to succeed in an interconnected world.

Our Strengths

We offer value to our customers through:

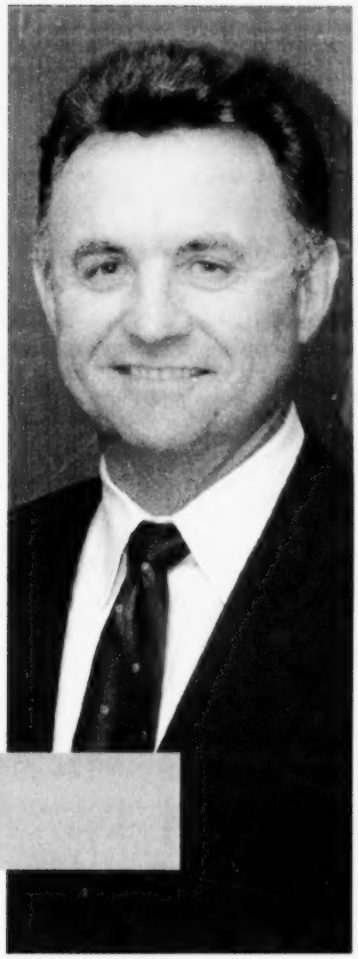
- in-house and custom research publications;
- economic forecasts and analyses;
- conferences;
- specialized executive networks;
- facilitation services;
- leadership and director education;
- the quarterly *InsideEdge* newsletter;
- an online library of publications and conference proceedings;
- our e-Data service;
- members-only websites;
- targeted electronic newsletters;
- specialized research and corporate presentations, upon request;
- awards programs in education, workplace skills development, and corporate governance;
- media commentary; and
- testimony before government committees.

Our Team

The Conference Board of Canada comprises 200 employees—economists, research professionals, facilitators, event organizers, and support staff—with deep and varied expertise, both domestic and international. Our people come to us from backgrounds across business, government, academia, and the non-profit sector. That gives our products the breadth of vision, rigour, and balanced perspective for which we are nationally recognized.

In 2006–07, The Conference Board of Canada:

- included 8,300 organizations and 152,000 individuals in its member database
- held 235 Conference Board events
- held 144 Niagara Institute events
- attracted 5,000 individuals to our conferences
- engaged 1,200 executives in our 46 networks
- drew 1,800 people to our Niagara programs
- registered 200 leaders in Directors College courses
- had $53 million worth of reports downloaded
- published 193 research reports and periodicals
- received 1,100 media requests
- was mentioned in 3,100 media stories
- issued 102 news releases and advisories



Message From the Chair

The year 2006–07 produced singular accomplishments for The Conference Board of Canada. The activities and results described in this annual report are impressive in both qualitative and financial terms. More importantly, they amply demonstrate that the Conference Board is succeeding in its core mission of building leadership capacity for a better Canada.

The goal of providing timely, relevant insights that will help leaders deal with complex challenges represents the core of the Conference Board's work. This goal can be accomplished only through a commitment to ensuring objectivity and quality in all research and other activities in which the Conference Board engages. During 2006–07, the CEO, the management team, and every employee of the Conference Board followed through on that dual commitment. In this first year of my term as Chair of the Board of Directors, it was a pleasure to work with the Conference Board team in pursuit of our shared interest in the organization's continued effectiveness.

The Board of Directors and management share the view that prudent and far-sighted governance makes an essential contribution to the organization's mission. During the year, the Board of Directors as a whole, and its Executive, Governance, and Audit Committees, were engaged in fulfilling their responsibilities. The board received strong support from management in all areas of oversight, including its key stewardship responsibilities of strategic direction, organizational capacity, risk management, and control.

At its regular meetings, the Board of Directors focused on providing insights in support of the Conference Board's development of research programs and strategic directions. The highlight of each board meeting is the roundtable discussion in which directors candidly share the most pressing challenges they face in their organizations—an item of great interest to fellow directors and staff alike. An important innovation this year was the introduction of a stakeholder outreach program that saw board members meet one-on-one with leaders of major corporations from across Canada to learn their views on the quality and impact of Conference Board activities and deliverables.

Governance is first and foremost about people. I am very proud of our ability to recruit exceptional corporate leaders to succeed those board members whose terms are expiring. It is a privilege to work with these individuals, and I have appreciated their support and that of the senior management team led by Anne Golden.

Ed Kilroy
Chair, Board of Directors

Building a Stronger Canada

MESSAGE FROM THE PRESIDENT AND CEO

In 2006–07, The Conference Board of Canada had a stellar year in delivering on its mission to build leadership for a better Canada.

The beginning of 2007 saw the culmination of The Canada Project's four-year program of research and dialogue with the release of *Mission Possible: Sustainable Prosperity for Canada*. Its four volumes make the case that to achieve sustainable prosperity, Canada must excel on three fronts: in the global economy, in our resource sectors, and in our cities. The release attracted substantial national media coverage and significant positive endorsement—including a call from *Maclean's* magazine urging Canadians to adopt our report as Canada's "new national dream."

Mission Possible identifies the primary obstacle to Canada's success as an inability to implement well-designed policies and practices. The successor to The Canada Project—our new multi-year CanCompete project—is bringing together business and policy leaders to define five detailed strategies for boosting Canada's competitiveness in the global economy, with a dedicated research centre devoted to each strategy.

The Conference Board welcomed an audience of some 400 people to the second CIBC Scholar-in-Residence Lecture. Delivered by eminent public policy expert Professor G. Bruce Doern, the topic was "Red Tape, Red Flags: Regulation for the Innovation Age." The event provoked a lively debate on the extent to which current approaches to regulation are meeting Canada's public policy and business needs.

The release of *How Canada Performs: A Report Card on Canada*, our annual benchmarking report on achievement in six domains of national performance,

delivered a message that resonated widely. In particular, we found a receptive audience for our warning that Canada is lagging when it comes to achievements in innovation—both in terms of putting scientific knowledge to commercial use and in terms of creative thinking more generally—and this is hampering progress across all the spheres of national performance.

Beyond these headline initiatives on the public policy front, the past year produced exceptional results across the Conference Board's five lines of business. Each of these—Research, Networks, Conferences, Subscriptions, and Leadership Development—plays a distinctive role in advancing our mission.

- **Research:** The Conference Board of Canada provides objective analyses of key economic, organizational performance, and public policy issues of interest to the professional development of our members. This year, the Board published 193 economic forecasts, research reports, and briefings—many of which received major coverage in the news and business media. These included: *Mission Possible*, an analysis of the economic impact of the Western Hemisphere Travel Initiative, and *Alberta's Labour Shortage: Just the Tip of the Iceberg*.
- **Networks:** The year saw 24 per cent membership growth in our 46 Executive Networks, which now bring together more than 1,200 Canadian leaders to learn—from each other and from guest experts—about how to help their organizations excel.
- **Conferences:** We experienced another record year for Conference Programs with a cutting-edge lineup of 50 conferences and events that attracted more than 5,000 senior leaders from the private and public sectors.
- **Subscriptions:** Conference Board economic forecasts are acknowledged to be among the best in the country, and much of this expertise is used to develop contract research for individual clients. We were especially proud that our Provincial Outlook forecast for economic growth in 2006 came within one-tenth of a point of the actual rate of economic growth in nine out of 10 provinces.
- **Leadership Development:** The Niagara Institute advanced its leadership development capacities with new public programs, as well as custom programming and executive coaching.

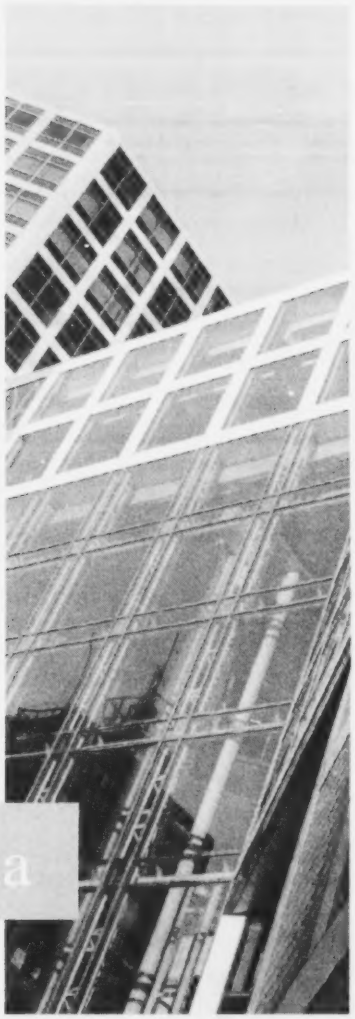
The Conference Board of Canada enjoyed very positive financial results, exceeding budget goals for the second year in a row and putting the Board on a strong footing as we look to the year ahead. Customer satisfaction scores for the year also surpassed our target, although they dipped modestly from last year's peak.

Our quality imperative and the introduction of new, high-profile projects appear to be having a positive effect on public perceptions of the impact of our work. While we can't draw a direct correlation, it would appear from our survey results measuring impact that major initiatives and projects, described in this annual report, are being recognized for their contributions to organizational performance and public policy debate in Canada.

All these accomplishments speak to the wisdom and vision that led to the establishment of The Conference Board of Canada 53 years ago as a distinctly Canadian organization focused on this country's circumstances and challenges. Today, we continue to be unique among Canadian organizations in our capacity to build national leadership. This capacity rests on our size and range of subject expertise; the spectrum of leadership-building activities we undertake; our client and membership base spanning the public, private, and non-profit sectors; and the global perspective we bring to Canadian affairs.

I would like to thank all the members of our exceptional Conference Board team, whose talent and dedication make these achievements possible. I am equally grateful to the members of our Board of Directors, who generously provide constructive oversight and wise advice.

Anne Golden
President and Chief Executive Officer



Building a Stronger Canada

Relentless globalization means that Canada must compete even more aggressively with countries around the world for investment, knowledge, and human talent. Although our challenges are global in scope, our country requires solutions that align with its distinctive economic, political, and cultural circumstances. The Conference Board of Canada's achievements this past year underscore the importance of having an independent and broad-based Canadian perspective on the issues shaping this country's future.

SUSTAINABLE PROSPERITY FOR CANADA: STRATEGIC FRAMEWORK

For more than a decade, the Conference Board has been warning that Canada's prosperity and high quality of life cannot be taken for granted. Amid the recent blessings of low unemployment, a surging dollar, enviable public finances, and a booming resource economy, this has not been an easy message to get across. Two comprehensive research reports released in the past year, however, found a large and receptive audience for the analyses of Canada's current national performance and for the policy prescriptions aimed at improving Canada's standard of living and position within North America and the world.

Published in January 2007, the multi-volume *Mission Possible: Sustainable Prosperity for Canada* was praised by *Maclean's* magazine as "perhaps the most comprehensive effort to re-imagine the Canadian economy in two decades." The final report of The Canada Project's four-year program of research and dialogue, *Mission*

(Left to right) Conference Board Vice-President, Governance and Human Resources Management, Prem Benimadhu; members of the Board of Directors Dan Fortin, Dave Mowat, and Kathy Bardswick; at the February 2007 meeting of the Board of Directors.

Possible presented seven overarching policy strategies designed to promote Canada's place in the global economy, a sustainable natural resources strategy, and successful cities—all areas critical to the nation's future prosperity.

Running through these results is the common thread of a failure to innovate.

The Conference Board's 11th annual snapshot of Canada's socio-economic performance was published under a new title, *How Canada Performs: A Report Card on Canada*. The report's comparison of Canada with 16 other developed countries found that Canada ranks in the middle of the pack. Just one domain—Education and Skills—received the top "A" grade. Economy, Health, and Society earned "B" grades. Innovation and Environment rated only "D" grades. Running through these results is the common thread of a failure to innovate—both in the precise economic sense of creating, diffusing, and using knowledge through commercialization to improve productivity, and in the more general sense of being creative in the design and implementation of public policy. Canada's mediocre showing, the report argued, will not be enough to provide a high and sustainable quality of life for all Canadians in the decades ahead.

Much of the Conference Board's work in 2006–07 elaborated on what we have identified as seven key strategies for improving Canada's performance in areas pivotal to national success. These strategies, and our initiatives dedicated to them, are outlined below.

1. Embrace Productivity and Competitiveness

Canada's labour productivity stands at 89 per cent of U.S. levels.[1] To grow their real incomes, Canadians are working longer instead of smarter. Boosting productivity is therefore a national imperative. *Mission Possible: Stellar Canadian Performance in the Global Economy* (the first volume of the *Mission Possible* report) outlined the factors underlying Canada's sliding economic performance, and it recommended several reforms to improve Canadian productivity. These include: reducing regulatory barriers and opening industrial sectors to more competition; increasing the level of investment in machinery and equipment; and encouraging organizational and managerial innovation. Tax reforms to end the punitive burden on the working poor and reduce the taxation of capital investment are also required to improve Canada's productivity performance.

Canadians are working longer instead of smarter.

In January 2007, the Conference Board launched The Leaders' Panel on Innovation-Based Commerce. This independent national advisory group of senior Canadian leaders is helping to identify areas where Canada has world-class know-how and capacity to commercialize applications that are derived from new or emerging technologies—and to meet global demand. Along with innovation and commercialization, skills are at a premium—which is why a National Skills and Productivity Action Plan is being developed by the Conference Board's Skills and Productivity Forum. This action plan will draw on proven strategies for skills development to help Canadians work smarter and more productively.

1 Based on 2006 Statistics Canada data. Labour productivity is defined as output per unit of labour input, normally measured as gross domestic product (GDP) per hour worked.

2. Create a Single Canadian Market

Because regulatory and internal trade barriers raise the cost of doing business and impede the domestic and global competitiveness of Canadian firms, reducing these barriers would pay significant dividends in closing the Canada–U.S. productivity gap. The Conference Board's new International Trade and Investment Centre, created last year to help Canadian leaders navigate shifting global economic dynamics, published the briefing *If We Can Fix It Here, We Can Make It Anywhere: Effective Policies at Home to Boost Canada's Global Success*. It argues that policy reforms within Canada's control—such as removing barriers to the movement of goods and people between provinces—hold greater potential to produce trade and investment gains for Canada than do trade initiatives abroad.

Reducing regulatory and internal trade barriers would pay significant dividends in closing the Canada–U.S. productivity gap.

Some provinces are already taking action to remove such barriers. The Conference Board contributed to these efforts with its analysis of the economic impact of the Alberta–British Columbia Trade, Investment and Labour Mobility Agreement (TILMA) for the B.C. government. This analysis identified that the agreement would generate tangible net economic benefits for the province. The Conference Board completed a similar analysis for Saskatchewan, although that study determined that the province's economic gains from signing on to TILMA would be modest.

3. Rethink the Workforce

Labour shortages in Alberta—and, to a lesser extent, other provinces—will become more acute as baby boomers move out of the labour force. Labour scarcity due to low fertility rates and an aging population will, if not addressed, impede economic performance, especially in provinces undergoing torrid economic growth. Amid plenty of anecdotal evidence about the scarcity of workers in Alberta, the Conference Board's June 2006 analysis, *Alberta's Labour Shortage: Just the Tip of the Iceberg*, revealed that if existing trends were to continue, Alberta could be short 332,000 workers by 2025. Although organizations will adjust by substituting capital investment for labour, an ongoing scarcity of workers could limit the province's economic growth potential.

Tight labour markets inevitably mean wage gains for workers. Through the Compensation Research Centre—which marked its 30th anniversary in 2006—and the annual *Compensation Planning Outlook* survey and conferences, the Conference Board identified that wage gains were exceeding inflation by a full 2.5 percentage points and outlined how current wage increases could affect investment in future growth.

Wages alone are not enough to win the war for talent.

Wages alone are not enough to win the war for talent; pensions are another important recruitment and retention tool. Human resources executives who participated in the fourth annual survey on pension risk (conducted with Watson Wyatt Worldwide in early 2007) view defined benefit plans as an important way to attract and retain

The Canada Project

The Canada Project had its genesis in 2002 during a meeting of senior public and private sector leaders at the Conference Board's annual Canadian Conference. Many leaders at that meeting expressed concern that Canada was in a state of public policy drift and floundering in the face of rising global competition. Launched in 2003, The Canada Project obtained financial, leadership, and knowledge support from 47 companies and public organizations, and culminated in January and February 2007 with the release of the four-volume report, *Mission Possible: Sustainable Prosperity for Canada.*

The CANADA Project

Through a partnership with the Social Sciences and Humanities Research Council of Canada, two reports were produced under The Canada Project banner—*The Exchange Rate and Wages: How They Affect Capital Investment* and *The NAFTA Effect: Multinational Enterprises in Canada.*

Social Sciences and Humanities Research Council of Canada | Conseil de recherches en sciences humaines du Canada | Canada

Economic Forecasting and Analysis: A Trusted and Reliable Source

Expert economic forecasting—a long-standing hallmark of the Conference Board—continued to provide decision-makers with accurate outlooks in 2006–07. In 9 of the 10 provinces, the *Provincial Outlook* forecast for economic growth in 2006 came within one-tenth of a point of the actual rate of growth recorded by Statistics Canada.

National and provincial outlooks told the story of two different economic realities. While high resource prices produced strong growth in Western Canada (especially Alberta), the strong Canadian dollar hurt the manufacturing sector and led to modest growth in Central and Atlantic Canada. Wage gains and robust consumer spending maintained economic strength in the national economy.

A revamped Canadian Industrial Outlook Service split several previously covered larger industries into smaller components—with the former Information Technology and Communications, for example, being superceded by separate new outlooks for telecommunications, computer services, and computer-product manufacturing. The service is now presented in a more user-friendly format, covering 16 industries (compared with 10 under the previous format).

talent. Tight labour markets are also affecting collective bargaining, and the *Industrial Relations Outlook 2007* argued that common ground does exist at the negotiating table between unions and management.

Organizations are failing to turn their stated commitments into tangible actions.

As Canadian organizations look for ways to find the human talent they need, they are missing out on opportunities to maximize the contribution of under-represented groups within the labour force. The first *Report on Diversity: Priorities, Practices and Performance in Canadian Organizations* found that the rhetoric–reality gap in diversity continues. Organizations are failing to turn their stated commitments into tangible actions: barely half have strategic plans to create and sustain inclusive work environments. As a follow-up to the *Report on Diversity*, the Conference Board conducted diversity seminars across the country. In May 2007, the Third Joint Meeting of Canadian, European, and U.S. Work-Life and Diversity Councils brought together international experts on diversity for a widely praised network meeting in Toronto. The Leaders' Roundtable on Immigration, also launched in May, will broaden discussion of immigration issues beyond government policy and social service circles to include private sector executive suites. Its aim is to help companies make immigration a key strategy for obtaining skilled labour and accessing new overseas markets.

Few organizations are taking steps to address impending retirement-induced labour shortages.

Furthermore, organizations are not maximizing the talents of the employees they already have. Research the Conference Board undertook for Human Resources and Skills Development Canada revealed that while 80 per cent of organizations surveyed are already facing or expect to face skills shortages within five years, few are taking steps to address impending retirement-induced labour shortages. Nor are organizations spending much on developing their employees. As highlighted in the 2007 edition of the *Learning and Development Outlook*, Canadian organizations have allowed their funding levels for employee training to stagnate over the past decade—perhaps because few of them evaluate the effectiveness of their training strategies, leading management to view training as a cost to be minimized rather than as a productive investment.

4. Revitalize International Investment and Trade

The global economy is seeing its ascendant business model become that of "integrative trade," in which companies use many elements—notably global value or supply chains and inward and

outward foreign direct investment—to achieve the lowest possible cost and maximize returns. Canada's policies will have to shift gears to take account of these changes. *Mission Possible: Stellar Canadian Performance in the Global Economy* highlighted three major approaches to revitalize Canada's international trade and investment: grow foreign direct investment and Canadian direct investment abroad; increase trade in services; and become more strategic in international trade.

The first major publication of the International Trade and Investment Centre, *Canada's Changing Role in Global Supply Chains*, found that Canadian companies became more integrated into global and regional supply chains between 1990 and 2005. However, it also found that Canadian firms are still not taking full advantage of the opportunities available in developed and emerging economies to gain efficiencies in production.

Canadian companies are bearing higher costs of getting their goods and services across the border.

Based on ground-breaking research into the factors driving Canadian exports to the United States, a further series of reports revealed the effects of post-9/11 border security measures on Canadian exports to the United States. Although the new border security policies have not reduced Canada's export volumes to its largest market, Canadian companies are bearing higher costs of getting their goods and services across the border. These costs and inconveniences could eventually lead companies to locate or relocate in the larger U.S. market rather than in Canada.

5. Refocus Foreign Policy Priorities

Mission Possible argued that Canada has too many foreign policy priorities and not enough strategic focus. Our relationship with the United States must remain front and centre, but China and other emerging powers also demand attention.

The Conference Board recommends a step-by-step approach to Canada–U.S. relations; for example, Canada should align its regulations with those of the U.S. where doing so makes sense and does not sacrifice Canadian regulatory objectives. Research conducted for the report *Canada's Changing Role in Global Supply Chains* indicated that integration of North American supply chains has stalled since 2000, with cross-border trade in manufacturing parts showing negligible growth since then. To revitalize Canada–U.S. trade, the Conference Board called for a reduction of the remaining tariff and non-tariff barriers to the American market. To help the federal government set priorities for greater regula-

Senior Vice-President and Chief Economist Glen Hodgson was a featured speaker at the launch of the Carbon Disclosure Project report in October 2006.

Creating Sustainable Leadership at The Niagara Institute

As Canada's premier organization for helping professionals, managers, and executives build leadership capacity through leadership development, Niagara engages participants in feedback-rich and results-oriented learning via public programs, custom programs, and executive coaching. Following a superb performance in 2005–06, The Niagara Institute division continued to improve its contribution to the Conference Board in 2006–07. Strategic management of its program portfolios delivered sustained revenue and a 26 per cent increase in net operating results.

The 2006–07 year saw the successful introduction of the Leading Through Change program, as well as the establishment of an Executive Coaching practice capable of providing coaching services to leaders at all organizational levels. Other notable developments include a new edition of the Leadership Development Program, a licensed property of the U.S.-based Center for Creative Leadership.

Niagara

tory cooperation with the United States, a Conference Board study for Industry Canada identified six industries where regulatory differences were most acute and where reducing these barriers would yield large net benefits for the Canadian economy.

The Conference Board's 20 years of experience in delivering knowledge and managing international development projects has both supported Canada's international development objectives and helped the Board develop insights into organizational management and performance in a global context. The largest current project is The Asia-Pacific Economic Cooperation (APEC) Economic Integration Program (EIP), which the Conference Board manages for the Canadian International Development Agency (CIDA) in partnership with the Estey Centre for Law and Economics in International Trade. By working with senior trade policy officials and regional training institutes in the areas of trade in agriculture, the GATS (General Agreement on Trade in Services), and market access, APEC-EIP is enhancing the ability of six Southeast Asian economies to participate effectively in the global economy. Now in the fourth year of its five-year program, APEC-EIP conducts regional short-term training, provides targeted technical assistance, and develops networks across the region.

Through the CIDA-funded project Developing Socio-Economic Performance and Potential Analysis Capacity in Ukraine, the Conference Board is working with four Ukrainian government ministries to measure Ukraine's economic potential and socio-economic performance. Conference Board experts led training sessions with Ukrainian government economists to help them develop a report benchmarking Ukraine against comparable countries. The first of two annual socio-economic reports for Ukraine (similar to the Conference Board's *Performance and Potential* reports for Canada) will be completed by the end of 2007.

6. Develop a Canadian Resource Strategy

Canada is well positioned to benefit from growing world demand for its natural resources—but only if strategic investments are made to develop resources and protect both the environment and the public. Investment and policy decisions taken in the next 10 to 15 years will determine whether Canada can enjoy sustainable prosperity in the next half-century.

Mission Possible: A Canadian Resources Strategy for the Boom and Beyond (the second volume of the report) found that the forest products industry is in need of major new investment and policy reform, notably in the pulp and paper sector. That means closing uncompetitive mills and investing in research and development, new products, and larger, more modern facilities. In agri-food, Canada should open more sectors to global trade and capitalize on world demand for higher-quality food products. Although Canada is a world leader in mining production, its current mineral stock is being depleted,

Practicing What We Preach

The Board's success in 2006–07 rested on the efforts and commitment of our workforce. In April 2007, the Board conducted its biennial employee satisfaction survey, which once again achieved an excellent 89 per cent participation rate. Considerable progress had been made in each of the benchmarked categories compared with two years earlier.

A new collective agreement with the unionized members of The Niagara Institute's workforce was ratified in April 2007. The contract renewal process extended the length of the agreement to four years from three and capped a two-year effort by management and local union leaders to build a positive workplace environment.

Enhancements to employee health benefits, introduced on June 1, 2007, further increase the value proposition of the Board's work environment and will better position the Board to attract and retain talent.

The Conference Board's efforts to create the best possible work environment for employees were recognized in its being selected as one of the *National Capital Region's 20 Top Employers*, as featured in the *Ottawa Citizen*, for 2008. The Board was also short-listed for the 2008 Canada's Top 100 Employers competition.

and Canada must prospect and open new mines. Finally, in realizing the economic opportunities from its fossil fuel–dominated energy resources, Canada can become a "clean energy superpower" through the use of known and emerging technology, combined with policy changes.

A shortage of qualified workers and the need for better regulatory regimes affect all these resource sectors. Incentives are needed to encourage skilled workers (including immigrants, youth, and women) to locate in resource communities. Many of these resources are found close to Aboriginal communities. However, skilled Aboriginal workers are currently few in number. Arranging education and training to develop skills in Aboriginal populations—and to help alleviate labour shortages—will not happen without significant collaboration among different levels of government and industries, and among Aboriginal leaders themselves. Regulatory approval processes, meanwhile, must become less complex and less burdened by duplication between levels of government. Eliminating interprovincial barriers to trade and reforming regulatory regimes are also vital steps for capitalizing on the resource boom.

Climate Change and Water Resource Management

The Carbon Disclosure Project 2006, an international initiative that the Conference Board carried out in Canada on behalf of 231 global investors, asked 280 of Canada's most valuable companies to disclose their greenhouse gas (GHG) emissions and their climate-change management strategies and practices. The results were mixed. While a majority of responding companies were aware that climate change poses business risks and offers business opportunities, barely one-third of them had GHG reduction plans, and just 20 per cent had a GHG reduction target with a timeline for achieving that goal. In contrast to the healthy debate about the best way for Canada to cut GHG emissions, there is a distinct lack of dialogue on how Canada will adapt to the effects of

CIBC Scholar-in-Residence

Taxation, spending, and regulation each make up about one-third of government activity, but regulation gets far less systematic attention from governments than do the other two functions. In May 2007, Professor G. Bruce Doern of the Carleton University School of Public Policy and Administration made the case for a national regulatory agenda. Speaking at the 2nd CIBC Scholar-in-Residence Lecture (titled "Red Tape, Red Flags: Regulation for the Innovation Age"), he argued that the current lack of a national regulatory agenda means that priorities are not set and new regulations are enacted or revised in isolation from each other. Before an audience of 400 people at the National Gallery in Ottawa, moderator Allan Gregg guided a discussion among Professor Doern and three panellists: The Honourable Rick Thorpe, British Columbia's Minister of Small Business and Revenue and Minister Responsible for Regulatory Reform; Elizabeth May, Leader of the Green Party of Canada; and Janet Yale, Executive Vice-President of Corporate Affairs, TELUS. Professor Doern's study, together with the lecture proceedings, was released this fall.

Throughout its 10-year duration, the CIBC Scholar-in-Residence Program will enable renowned academic experts to contribute original scholarship and mentoring of Conference Board researchers.

More than 400 people attended the 2007 Scholar-in-Residence Lecture on the subject of regulation. The speakers at the event included (left to right) Gregory Tsang of CIBC, Conference Board President and CEO Anne Golden, moderator Allan Gregg, Scholar-in-Residence G. Bruce Doern, TELUS Executive Vice-President of Corporate Affairs Janet Yale, Green Party leader Elizabeth May, and British Columbia's Minister of Small Business and Revenue Rick Thorpe.

Conference Board President and CEO Anne Golden was invited to speak at The New Capitalists Conference in Montréal in February 2007, where former U.S. Vice-President Al Gore was the keynote speaker. The Conference Board was a co-sponsor of the event, which was organized by Groupe investissement responsable inc. to discuss the challenges of corporate governance, and social and environmental responsibility.

a changing climate. The report *Operationalizing Adaptation to Climate Change* outlined the potential roles for private sector leaders on this front and prepared the way for the Conference Board's new Leaders Roundtable on Climate Change Adaptation.

The nation's water stores are less available than commonly assumed.

Not only are Canadians among the world's largest consumers of water, but the nation's water stores are less available than commonly assumed. The Conference Board's Leaders Forum on Water Resource Management and Governance published its first report, *Navigating the Shoals: Water Governance and Management in Canada*. Based on case studies of five watersheds, the report outlined six principles to help Canada's water managers steward freshwater resources in a manner that can sustain both the ecosystem and economic development.

7. Give Cities the Resources They Need

In the 21st century's global, knowledge-based economy, cities are increasingly recognized as drivers of national and international prosperity. For this reason, ensuring that Canada's city-regions have the resources they need to be globally competitive is vital to the country's continued prosperity. *Mission Possible: Successful Canadian Cities* (the third volume of the report) calls for the prosperity of our major cities to become a national priority. That argument was bolstered by the report *Canada's Hub Cities: A Driving Force of the National Economy*, which showed that helping our major cities is an economic win-win proposition for all Canadians.

Mission Possible argued that the four cornerstones of successful Canadian cities are a strong knowledge economy, physical infrastructure (particularly urban transportation), environmentally sound growth, and socially cohesive communities. In turn, achieving these goals requires both good governance and adequate fiscal resources. Most important, it requires political leaders with the fortitude and vision to support policies that promote the long-term health of city-regions.

THREE CONFERENCE BOARD GROWTH AREAS

National Security and Public Safety

In recent years, numerous security threats—from terrorist attacks to infectious diseases and natural disasters—have cast dramatic shadows on our world. With the security of goods, persons, and critical infrastructure constituting a prerequisite for economic prosperity, there are deep concerns about Canada's current capacity to deter, detect, and respond to security threats and to recover from incidents that do occur.

There are deep concerns about Canada's current capacity to respond to security threats.

In 2006–07, the Conference Board recognized the importance of security issues by defining a new research area, National Security and Public Safety. The Centre for National Security, an executive network created to help leaders understand and address security threats, undertook its first major project—a visit to New Orleans to learn lessons from the response to Hurricane Katrina. The findings from the study tour were outlined in the report *Tough Times in the Big Easy: Lessons from a Catastrophe*. The Centre for National Security's work received international recognition when the Conference Board was invited to Moscow to

present to the G8's Global Forum on Partnerships Between States and Businesses to Counter Terror.

A series of conferences and executive networks examined specific security concerns, such as global approaches to security, the role of municipalities in responding to emergencies, and the economic and security implications of a "thicker" Canada–U.S. border. In May 2007, the first Business Continuity and Pandemic Preparedness Conference built on the work of the year-old Pandemic Preparedness Working Group.

Collaborating for Improved Health Care

Although health care takes up the largest share of provincial government budgets—and despite the injection of tens of billions of dollars in new federal funding—Canada achieves only middle-of-the-pack rankings in international health comparisons. Rising levels of diabetes and other chronic diseases, combined with an aging population and ever-increasing costs of care, make Canada's current health system unsustainable. A new model for Canadian health care must emphasize the prevention and management of chronic disease.

High-Performing Health Systems Network Series

The Conference Board launched a network series in 2006–07 to look at ways to ensure that the billions of dollars in public funds being invested in health care result in a high-performing system. Such a system has a highly effective and productive workforce, integrated organizational processes and structures with clear and measurable goals, and effective use of technology. There are three networks in this series—the Centre for Health System Design and Management, the Centre for Health Care and Innovation, and the Leaders' Roundtable on Health Human Resources. Another network launched in 2006, The Roundtable on Socio-Economic Determinants of Health, complements this focus on health-care systems by providing leaders in business, government, and community organizations with a broader perspective on policies and practices to improve the health of Canadians.

Richard Peddie, CEO of Maple Leaf Sports and Entertainment, addressed the Council of Human Resource Executives in Toronto in February 2007.

(Left to right) Conference Board Vice-President Marketing, Sales and IT, Perry Eisenschmid; Vice-President and Chief Financial Officer Jean-Pierre Boisclair; Chair of the Board Ed Kilroy; and Vice-President, Public Policy, Gilles Rhéaume at the May 2007 board meeting.

Reducing Barriers to Collaboration in Primary Health Care

Along with completing its role as secretariat for the multi-year Enhancing Interdisciplinary Collaboration in Primary Health Care Initiative, the Conference Board conducted new research into impediments to primary-care collaboration, leading to two published reports. One report will guide members of health-care teams in mitigating liability risks from collaborative care. The second publication will help legislators and regulators pursue regulatory reforms that promote collaboration among different health disciplines.

Advancing Governance

Today's corporations operate in an environment of intense media, investor, regulator, and public scrutiny. Even as the financial scandals of recent years result in a more constrained regulatory environment, increasing public and stakeholder concern about the social and environmental impacts of business practices is forcing directors and executives of Canadian companies to come to terms with a new set of interests and expectations.

Focusing on the human dynamic in governance can lead to an organizational turnaround.

The Directors College, a joint venture between the Conference Board and the DeGroote School of Business at McMaster University, provides directors with both the technical and people skills they need as board members to carry out their oversight function. Three classes of chartered directors graduated from The Directors College in 2007, and the inaugural class of directors completed their Audit Committee Certified designation. The first annual Chairs Forum in November 2006 drew more than 40 participants—mostly board chairs and chief executive officers—to a half-day learning program. The Directors College also launched a two-module Human Resources and Compensation Committee program in the spring of 2007 as well as a Financial Literacy program.

The Calgary Board of Education's Board of Trustees won the overall award in The Conference Board of Canada/Spencer Stuart 2007 National Awards in Governance for demonstrating that focusing on the human dynamic in governance can lead to an organizational turnaround. Innovation as a driver of corporate performance, in meeting legislated requirements and adopting voluntary measures, was the theme of the conference that followed the awards presentation.

Jacques Lamarre, President and Chief Executive Officer of SNC-Lavalin Group Inc. (second from right), received The Conference Board of Canada's highest honour, the 2006 Honorary Associate Award. The presentation was made by (from left to right) Syncor Inc. Chief Executive Officer Ed Kilroy, Chair of the Conference Board's Board of Directors; Guy Saint-Pierre, 1998 Honorary Associate Award recipient and former Chair of SNC-Lavalin; and Anne Golden, President and Chief Executive Officer of the Conference Board.

Delivering Insights

PRODUCTS AND SERVICES 2006–07

The Conference Board delivers insights through the following lines of business: conferences, courses, custom services, executive networks, and publications.

CORPORATE

Conferences

- 50th Executive Weekend Conference
- 51st Executive Weekend Conference
- 83rd Canadian Conference
- 2006 Honorary Associate Award Dinner and Annual General Meeting

Publications

- Annual Report 2006: Tomorrow's Issues Today
- InsideEdge (quarterly newsletter highlighting Conference Board activities and research)

CANADA'S SOCIO-ECONOMIC PERFORMANCE

The Canada Project Publications

- Adopt a More Strategic Approach to International Trade
- Building Successful Cities: Lessons from the United Kingdom
- Canada's Hub Cities: A Driving Force of the National Economy
- Is Corporate Canada Being Hollowed Out? It All Depends Where You Are
- Mission Possible: Stellar Canadian Performance in the Global Economy (Volume I)
- Mission Possible: A Canadian Resources Strategy for the Boom and Beyond (Volume II)
- Mission Possible: Successful Canadian Cities (Volume III)
- Mission Possible Executive Summary: Sustainable Prosperity for Canada (Volume IV)
- Mission possible : Pour une prospérité durable au Canada
- Sustainability: A Winning Merger of Growth and the Environment
- Sustainable Urban Transportation: A Winning Strategy for Canada
- The Exchange Rate and Wages: How They Affect Capital Investment (with Social Sciences and Humanities Research Council)
- The NAFTA Effect: Multinational Enterprises in Canada (with Social Sciences and Humanities Research Council)

Conferences

- CIBC Scholar-in-Residence Lecture—Red Tape, Red Flags: Regulation for the Innovation Age

Publications

- Canada by Picasso: The Faces of Federalism
- How Canada Performs: A Report Card on Canada
- Les performances du Canada : Bilan comparatif

CORPORATE FINANCE AND RISK MANAGEMENT

Conferences

- 2006 International Risk Management: Integrating Enterprise Risk Management Into Business Practices*
- 2007 Pensions Summit: Striking the Right Balance*
- Emerging Governance Practices in Enterprise Risk Management
- Intergovernmental Forum on Risk Management 2007: Integrating Risk Into Core Processes*

* Also available in Conference e-Proceedings.

Executive Networks

- Strategic Risk Council

Publications

- La question des régimes de retraite reste une priorité pour les enterprises
- Pensions Remain at Top of Business Agenda: Findings From the 2006 Survey on Pension Risk

The Conference Board's Executive Networks provide an opportunity for executives to learn from their peers and discuss leading-edge issues with experts in their fields.

ECONOMIC PERFORMANCE AND TRENDS

Conferences

- 2006 Business Outlook Briefing
- 2007 Business Outlook Briefing (East)
- 2007 Business Outlook Briefing (West)
- Conférence Affaires et perspectives économiques 2006
- Fall 2006 Technical Forecasting Seminar
- Spring 2007 Technical Forecasting Seminar

Custom Projects

- Canadian Tourism Research Institute
  - International Travel Forecasts
  - Outbound Subscription
  - Outbound Tracking Service
  - Short-Term Industry Outlook
  - Tourism Economic Assessment Model (TEAM)
  - Tourism Intelligence Bulletin
  - Tourism Labour Force Supply/ Demand Projections
- Communautés francophones hors Québec : Analyse de la situation et des ressources disponibles
- Condominium Market Outlook: Insights Into the Condominium Market in Canada's Eight Largest Census Metropolitan Areas
- Core List of Exports
- Economic Impact of Expanding Container Capacity at British Columbia Ports
- Économie de la région de Québec : Étude d'étalonnage 2006
- Impediments to the Movement of Business People
- La situation financière de la ville de Gatineau : Une mise à jour
- Le financement des services aux personnes : Un défi sans cesse grandissant
- Les défis fiscaux des grandes villes du Québec et les solutions potentielles : Une mise à jour
- Long-Term Demographic and Economic Forecast for Winnipeg's Census Metropolitan Area
- Measuring the Fiscal Capacity of the City of Sudbury
- Measuring the Fiscal Capacity of the City of London
- Metropolitan Housing Outlook: An In-Depth Housing Analysis for Canada, the Provinces, and Eight Metropolitan Areas
- Ontario Industrial Outlook: Auto and Auto Parts

e-Data

e-Data is a subscription-based website that gives users access to economic information from the Conference Board and other sources.

- Historical data
  - Canada Mortgage and Housing Corporation housing starts
  - Canadian Real Estate Association
  - Conference Board Consumer Confidence, Business Confidence, Survey of Forecasters
  - Statistics Canada CANSIM
- Conference Board of Canada forecast data
  - Canadian
  - Provincial
  - Metropolitan
  - Industry sectors
  - U.S.

Publications

- Alberta's Labour Shortage: Just the Tip of the Iceberg
- Canada's Accommodation Industry: Industrial Outlook, Winter 2007
- Canada's Aircraft and Aircraft Parts Industry: Industrial Outlook, Summer 2006
- Canada's Air Transportation Industry: Industrial Outlook, Winter 2007
- Canada's Auto and Auto Parts Industry: Industrial Outlook, Autumn 2006
- Canada's Computer and Electronic Product Manufacturing Industry: Industrial Outlook, Spring 2007
- Canada's Computer Systems Design Industry: Industrial Outlook, Spring 2007
- Canada's Construction Industry: Industrial Outlook, Summer 2006
- Canada's Food Industry: Industrial Outlook, Summer 2006
- Canada's Food Services Industry: Industrial Outlook, Winter 2007
- Canada's Gas Extraction Industry: Industrial Outlook, Winter 2007
- Canada's Information Technology and Communications Industry: Industrial Outlook, Autumn 2006
- Canada's Oil and Gas Industry: Industrial Outlook, Summer 2006
- Canada's Oil Extraction Industry: Industrial Outlook, Winter 2007
- Canada's Paper Products Industry: Industrial Outlook, Autumn 2006
- Canada's Paper Products Industry: Industrial Outlook, Spring 2007
- Canada's Retail Trade Industry: Industrial Outlook, Autumn 2006
- Canada's Telecommunications Industry: Industrial Outlook, Spring 2007
- Canada's Tourism Industry: Industrial Outlook, Summer 2006
- Canada's Wood Product Manufacturing Industry: Industrial Outlook, Autumn 2006
- Canada's Wood Products Industry: Industrial Outlook, Spring 2007
- Canadian Month At a Glance
- Canadian Outlook Economic Forecast
- Canadian Outlook Long-Term Economic Forecast: 2007
- Index of Business Confidence
- Index of Consumer Confidence
- Metropolitan Outlook: Economic Insights Into 27 Canadian Metropolitan Economies
- Note de conjoncture canadienne
- Note de conjoncture provinciale
- Provincial Outlook Economic Forecast
- Provincial Outlook Long-Term Economic Forecast
- The 2007 Federal Budget: We're All Spenders Now
- The 2007 Ontario Budget: A Balanced Budget . . . But Health-Care Spending Growth Worrisome
- Travel Exclusive: Key Trends for the Travel Industry
- Travel Markets Outlook: Metropolitan Focus
- Travel Markets Outlook: National Focus
- Survey of Forecasters
- U.S. Month at a Glance
- U.S. Outlook
- World Outlook: Global Economic Trends and Prospects

EDUCATION AND LEARNING

Awards

- 2006 Global Best Awards
- Awards for Excellence in Workplace Literacy
- Community Learning Awards
- National Award for Small Business Skills Development

Conferences

- 2007 National Consultation on Career Development: Developing Careers Today
- Sharing Global Solutions: 2006 International Workplace Education and Learning Conference

Custom Projects

- Canadian Council on Learning—Sharing the Flame: Recognizing Excellence in Learning National Conference
- CIBC Scholar-in-Residence Research Chair
- Public Works and Government Services Canada (PWGSC) Consultation Process
  - Informatics Professional Services Post-Consultation Report
  - Informatics Professional Services Pre-Consultation Report
  - Office Furniture Post-Consultation Report
  - Office Furniture Pre-Consultation Report

  - Rapport postérieur aux consultations sur les services d'aide temporaire
  - Rapport préalable aux consultations sur les services du travail temporaire
  - Rapport postérieur aux consultations sur le mobilier de bureau
  - Rapport préalable aux consultations sur le mobilier de bureau
  - Rapport postérieur aux consultations sur les services professionnels en informatique
  - Rapport préalable aux consultations sur les services professionnels en informatique
  - Temporary Help Services Post-Consultation Report
  - Temporary Help Services Pre-Consultation Report
- Socio-Economic Study and Policy Analysis of Future Canadian Investments in Space-Based Scientific Instruments
- Towards a Canadian Learning Recognition Institute—Summative Evaluation Report of the National Credit Review Service (NCRS): Pilot Project
- Understanding Social Experiments–Post-Workshop Summary Report
- U.S. Department of Education websites
  - www.scorecardforskills.com
  - www.work-basedlearning.org
  - www.workplacebasicskills.com

Executive Networks

- Canadian Centre for Learning and Development
- Business Leaders Roundtable on Immigration
- Council for Leadership Insights
- Human Resource Development Centre
- Quality Network for Universities
- Roundtable on Socio-Economic Determinants of Health
- Skills and Productivity Forum

Publications

- Celebrating Effective Learning Practices
- Célébration de pratique d'apprentissage efficacies
- Community-Based Learning Opportunities, Winner, 2006: Tamarack, An Institute for Community Engagement
- Community-Based Learning Opportunities for Aboriginal People, Winner, 2006: The Aboriginal Financial Officers Association of Canada
- Community-Based Learning Opportunities for Persons With Disabilities, Winner, 2006: The CNIB Digital Library, Making Information Accessible to Visually Impaired Persons
- Learning and Development Outlook 2007: Are We Learning Enough?
- Tackling Canada's Future Prosperity: New Directions for Success
- Win-Win: The Canadian Sport and Business Summit

ENERGY, ENVIRONMENTAL, AND TRANSPORTATION POLICY

Conferences

- 2006 E&P Operations: Enhanced Recovery Strategies
- 2006 Exploration Management Forum: Strategies to Optimize Business Cycles*
- Canada's National Power Markets*
- Coalbed Methane 2007: Best Practices for Effective CBM Production*
- The North American Energy Infrastructure Forum

Custom Projects

- Leaders Forum on Water Resource Management and Governance
- Measures of Climate Change for Korea's Power Sector
- Private Sector Roundtable on Adaptation to Climate Change
- Pulp and Paper Air Quality Forum
- Strategic Energy Framework for Canada
- Voluntary Monitoring Reporting System in Canada for POSCO Research Institute (Korea)

Executive Networks

- Business Council for Sustainability

Publications

- Build It and Will They Drive? Modelling Light-Duty Vehicle Travel Demand
- Carbon Disclosure Project Report 2006: Canada 280

* Also available in Conference e-Proceedings.

The Calgary Board of Education—Board of Trustees was chosen as the overall winner of The Conference Board of Canada/Spencer Stuart 2007 National Awards in Governance, presented in Toronto in February. Patricia Cochrane, Chair of the Calgary Board of Education (second from left), received the award from (left to right) Andrew MacDougall, President, Spencer Stuart Canada; Anne Golden, President and CEO of the Conference Board; and Roger Clarkson, Partner, Spencer Stuart Canada.

- Canada's Energy Future: An Integrated Path
- Davantage de routes, davantage de déplacements? Modélisation des déplacements des véhicules utilitaires legers
- Navigating the Shoals: Assessing Water Governance and Management in Canada
- Naviguer en eaux troubles : Évaluation de la gouvernance et de la gestion de l'eau au Canada
- Operationalizing Adaptation to Climate Change
- Rapport 2006 du Carbon Disclosure Project : Canada 280

GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY

Awards

- The Conference Board of Canada/ Spencer Stuart 2007 National Awards in Governance
- The Directors College Graduation Ceremony and the Gil Bennett Gold Standard Award

Conferences

- 2007 National Governance: Innovation to Drive Performance*
- Business Continuity and Pandemic Preparedness: Planning, Partnership, and Participation*
- National CSR: Connecting Business Value with CSR*
- Western Corporate Governance Forum: Next Steps, New Thinking*

Courses

- Certificate in Corporate Social Responsibility program (with St. Michael's College, University of Toronto)
- The Directors College (joint venture with the DeGroote School of Business at McMaster University)
  - Module 1: Accountability and Change
  - Module 2: Leadership and Strategy
  - Module 3: Oversight and Finance
  - Module 4: Communication and Social Responsibility
  - Module 5: The Board Simulation
  - Audit Committee Certified (3 modules)
  - The Chairs Forum
  - Financial Literacy Module
  - Human Resources and Compensation Committee Certified (1st module)

Custom Projects

- Board Governance Training: Board Evaluation, Financial Literacy, Benchmarking the Board
- Centre on Aboriginal Issues
- Corporate Governance Diagnostic Reviews
- Corporate social responsibility presentations to conferences and industry associations
- Corporate Governance Board Evaluation (for University of Ottawa)
- Corporate Secretariat Group, Sound Governance Practices
- Corporate Governance Seminars—Lines of Disclosure
- Creating Internal Lines of Disclosure (for Canadian Food Inspection Agency)
- The Directors College (in-house full board training)
  - CMA (Certified Management Accountants) Canada—Module 2
  - CMA (Certified Management Accountants) Ontario—Module 2

Executive Networks

- Corporate Community Investment Council
- Corporate Ethics Management Council
- Council on Corporate Aboriginal Relations
- Council of Public Affairs Executives

* Also available in Conference e-Proceedings.

- Pandemic Preparedness Working Group
- Public Enterprise Governance Centre

Publications

- The Evolving Role of the Ethics and Compliance Officer

Webcasts

- Ethics in the Age of the "Perp Walk": Should Companies Be Concerned About Excessive Regulatory Zeal?

HEALTH, HEALTH CARE, AND WELLNESS

Custom Projects

- Enhancing Interdisciplinary Collaboration in Primary Health Care (EICP) Initiative
  - The Collaboration Toolkit
  - End of Initiative Report
  - Interdisciplinary Primary Health Care: Finding the Answers—Case Study
- Primary Health Care Transition Fund (for Health Canada)
  - Chronic Disease Prevention and Management
  - Collaborative Care
  - Evaluation and Evidence
  - Information Management and Technology
  - Laying the Groundwork for Culture Change
  - Summary of Initiatives

Executive Networks

- Centre for Health Care and Innovation
- Centre for Health System Design and Management
- Leaders' Roundtable on Health Human Resources

Publications

- Achieving Public Protection Through Collaborative Self-Regulation: Reflections for a New Paradigm
- Le risque de responsabilité dans les soins interdisciplinaires : Découvrir de nouvelles perspectives
- Liability Risks in Interdisciplinary Care: Thinking Outside the Box
- Protéger le public par l'auto-réglementation de la collaboration : Réflexion sur un nouveau modèle

HUMAN RESOURCE MANAGEMENT

Conferences

- 2006 Compensation Outlook and Human Resources (Calgary): Right Rewards, Right People, Right Time*
- 2006 Compensation Outlook and Human Resources (Toronto): Right Rewards, Right People, Right Time*
- Corporate Culture 2006: Sustaining Competitive Advantage Through a High-Performance Culture*
- HR Transformation: Building an HR Function That Means Business*
- HR 2006: Canada's Workforce Shortage*
- Nouvelles perspectives en matière de rémunération et de ressources humaines 2006 : Les recompenses adéquates, aux bonnes personnes, aux moments*
- Public Sector Human Resources 2007: Tackling Worker and Talent Shortages*
- Western Workforce Shortage Forum*
- Workplace Health in a Tight Labour Market

Custom Projects

- The Business Case for Accessibility (for Ontario Accessibility Directorate)
- Diversity Seminar Series—Creating Productive, Inclusive Environments: A Call to Action (Calgary, Toronto, Montréal)
- Building the Workforce of the Future: An Overview of Trends and Implications (for Citizenship and Immigration Canada)
- Learning Performance Index workshop

Executive Networks

- Compensation Research Centre
- Council of Human Resource Executives (East)
- Council of Human Resource Executives (National)
- Council of Human Resource Executives (West)
- Council of Industrial Relations Executives
- Council on Workplace Health and Wellness
- Council on Inclusive Work Environments

* Also available in Conference e-Proceedings.

- Strategic Human Resources Management Council
- Strategic Human Resources Management Council (West)

Publications

- A State of Unpreparedness: Canadian Organizations' Readiness for a Pandemic
- Compensation Planning Outlook 2007: Labour Shortages Put Pressure on Pay
- Industrial Relations Outlook 2007: Finding Common Ground Through the War for Workers
- Organizational Performance Review: Spring/Summer 2007
- Report on Diversity: Priorities, Practices, and Performance in Canadian Organizations
- Smoking and the Bottom Line: Updating the Costs of Smoking in the Workplace
- The Strategic Value of People: Human Resource Trends and Metrics
- Too Few People, Too Little Time: The Employer Challenge of an Aging Workforce

LEADERSHIP

Courses

- The Niagara Institute

Open-Enrolment Programs

- Executive Leadership Program
- Leadership Development Program (LDP)®*
- Le programme de leadership
- Building Leadership Essentials
- Strategic Negotiating
- Influencing Skills for Leaders
- Leading Through Change
- Communication for the Corporate Officer™*
- Communication for the Senior Leader™*
- Speaking as a Leader™*

Custom and Client Programs

- Building Capacity for Self-Management
- Building Collaborative Relationships
- Building Leadership Capacity
- Building Leadership Essentials
- Coaching for Influence and Results
- Coaching for Performance
- Coaching Leaders
- Collaborating for Maximum Impact
- Culture and Change
- Developing for High Performance
- Developing Yourself and Others
- Directing and Influencing for Performance
- Directors Team Meeting
- Executive Leadership Program
- Executive Team Development
- Executive Team Meeting
- FIRO-B Workshop
- High-Performance Leadership 1
- Innovation
- Leading Innovation
- Management Program
- MBTI Workshop
- Leading Through Change
- Optimiser le changement
- Senior Leader Development Program
- Strategic Negotiating
- Teamwork and Change
- The Leading Edge
- Vous en tant que leader
- You as a Leader

Publications

- Women Leaders on Leadership: Much to Laud, Much to Lament

*The Leadership Development Program is a registered trademark of the Center for Creative Leadership (CCL®). Communication for the Corporate Officer™, Communication for the Senior Leader™, and Speaking as a Leader™ are offered in partnership with The Humphrey Group Inc.

NATIONAL SECURITY AND PUBLIC SAFETY

Conferences

- 2007 Public–Private Sector Summit on National Security: Stronger Borders, Better Trade
- Emergency Preparedness and Safety for Municipalities*
- Global Approaches to Security and Technology Strategies

Custom Projects

- Presentation to Global Forum on Partnerships Between States and Businesses to Counter Terror (for G8 summit in Moscow)
- Presentation to Conference for the Organization for Security and Co-operation in Europe (Vienna)

Executive Networks

- Centre for National Security

Publications

- Reaching A Tipping Point? Effects of Post-9/11 Border Security on Canada's Trade and Investment
- Tough Times in the Big Easy: Lessons From a Catastrophe

ORGANIZATIONAL EXCELLENCE

Conferences

- 2006 Western Strategic Project Management Conference: Building Collaborative Stakeholder Partnerships*
- 2007 Public Sector Financial Leadership: Strategy, Accountability, and Performance*
- Change Management 2007: Performance Through Transformation*
- Energy Sector M&As in Turbulent Times
- Mergers and Acquisitions: New Threats and Opportunities
- Post-Merger Integration Strategies 2006*
- Public Sector Shared Services 2006: Transforming Service Delivery*
- Strategic Project Management for the Public Sector: Governance, Accountability, and Results*
- Western Change Management 2007: Transforming Your Organization to Win the War for Talent*

Custom Projects

- Enhancing Information Exchange Within the Energy Sector
- Financial Leadership and Management in Government Working Group
- Strengthening Labour–Management Relationships Through Organizational Transition

Members of the Conference Board's Centre for National Security visited historic New Orleans Pumping Station #6 during the November 2006 meeting, which was held in New Orleans to examine the response to Hurricane Katrina.

Executive Networks

- Council for Chief Marketing Executives
- Council for Chief Privacy Officers
- Council for Public Sector Chief Financial Officers
- Council for Security Executives
- National Council of Foundation Executives
- Public Sector Executives Network

Publications

- Strategy, Accountability, and the New Role of the CFO: Modernizing Financial Management in Government

TECHNOLOGY AND INNOVATION

Custom Projects

- Application of the Index of Corporate Innovation
- Biotechnology and Rural Sustainability (for Industry Canada)
- Development of a Life Science Strategy for Saskatchewan

* Also available in Conference e-Proceedings.

- Phase I, Saskatchewan Nanotechnology Strategy
- Development of Strategy for Nanotechnology for Saskatchewan
- Human Capital and Innovation (Report from Microsoft's CANWIN Conference)
- Identification of Key Knowledge-Based Sectors Important to Canada's Economic Future
- Identifying Gaps in Canada's Biotechnology Workforce
- Planning & Facilitation for the National Roundtable for Sustainable Infrastructure
- Review of International Pre-Commercialization Programs

Executive Networks

- Centre for Biotechnology and Competitiveness
- Council of Chief Information Officers
- Council for Information Technology Executives
- Information Technology Insights Discussion Group
- Innovation Council
- Knowledge Strategy Executives Network
- Leaders' Panel on Innovation-Based Commerce

TRADE, INVESTMENT POLICY, AND INTERNATIONAL COOPERATION

Custom Projects

- Asia-Pacific Economic Cooperation (APEC) Economic Integration Program (Canadian International Development Agency)
- Bangladeshi Trade Training—study tour on WTO and FTA rules
- China Cyclic Economy Project—training to design a policy framework on environmental issues with a focus on recycling and waste management
- Developing Socio-Economic Performance and Potential Analysis Capacity in Ukraine (Canadian International Development Agency)
- Evaluation of the Multilateral Trade Assistance Project Vietnam (MUTRAP II)
- Public Policy Options Program (China) Phase II (Canadian International Development Agency)
- UNDP Laos PDR Trade and Investment Study

Executive Networks

- International Trade and Investment Centre

Publications

- Canada's Changing Role in Global Supply Chains
- If We Can Fix It Here, We Can Make It Anywhere: Effective Policies at Home to Boost Canada's Global Success
- Reaching A Tipping Point? Effects of Post-9/11 Border Security on Canada's Trade and Investment
- Tighter Border Security and Its Effect on Canadian Exports

2006 Honorary Associate

JACQUES LAMARRE, O.C.

President and Chief Executive Officer, SNC-Lavalin Group Inc.

A CANADIAN AMBASSADOR TO THE WORLD

Jacques Lamarre has been described as Canada's ambassador to the world. Mr. Lamarre—President and Chief Executive Officer of Canada's largest engineering and construction firm, SNC-Lavalin Group Inc.—has 40 years of experience managing large projects in Canada and globally. Under his leadership, SNC-Lavalin continues to operate in more than 100 countries. In addition to engineering and construction services, the company is a key player in the ownership of infrastructure, and in the provision of operations and maintenance services. SNC-Lavalin's 16,000 employees worldwide represent more than 80 countries and 50 languages.

Throughout his career, Mr. Lamarre has demonstrated all the attributes of a truly great business leader. He is globally focused, has unimpeachable integrity, and commands the respect and affection of his fellow citizens, his colleagues, and friends. In recognition of his outstanding service to both his company and his country, Mr. Lamarre received The Conference Board of Canada's highest honour, the Honorary Associate Award, in November 2006.

Mr. Lamarre began his engineering career with Lavalin in 1967. For almost a quarter-century, he oversaw some of its most highly visible and prestigious engineering and construction projects, such as the James Bay hydroelectric plant, the roof of Montréal's Olympic Stadium, and the Sanctuary of the Martyrs, Algeria. After Lavalin merged with SNC in 1991, Mr. Lamarre continued to serve in senior positions with the new company, and was named President and CEO of SNC-Lavalin Group Inc. in 1996. Since then, the company has significantly increased its revenues and its share price. SNC-Lavalin is a world leader in niche sectors of the global market—in the areas of oil and gas, power, infrastructure, environment and water, mining and metallurgy, pharmaceuticals and biotechnology, agrifood, and is a key player in operations and maintenance. It also makes equity investments in infrastructure concessions in various sectors worldwide, including airports, bridges, energy, mass transit, and roads.

Some of its recent award-winning and notable projects include Montréal's Pierre Elliott Trudeau International Airport expansion, the Canadian embassy in Haiti, the Voisey's Bay nickel mine in Newfoundland and Labrador (which received an Environmental Performance Award), identification and analysis of sources of pollution in the Dnieper River Basin (Ukraine, Belarus, Russia), and one of the most ambitious construction projects of the 21st century—the Great Man-Made River (Libya). In addition to his engineering expertise, Mr. Lamarre has developed SNC-Lavalin's philosophy of "distributed leadership," a management style that gives individual project managers the information and authority to take ownership and responsibility for their projects. He has also fostered a renewed and activity-based commitment throughout the company to SNC-Lavalin's core values of caring for: the well-being of employees, health and safety, the communities where employees live and work, and a sustainable environment.

Mr. Lamarre served as Chair of the Conference Board's Board of Directors between 2002 and 2004. He is a founding member of the Commonwealth Business Council and was Chair of the Council for 2006–07. He is a director of the Royal Bank of Canada, a member of the World Economic Forum, and a founding member of the Forum's Governors for Engineering and Construction.

Financial Report

MANAGEMENT OVERVIEW

A summary of The Conference Board of Canada's financial position and results for its year-ended May 31, 2007, are presented below.

The Conference Board's financial performance exceeded the budget expectations established by management and the Board of Directors, including those for significant targeted growth in key activities. As a result, net assets grew $971,000 over their balance at the beginning of the year. Overall, revenue grew 5 per cent from the previous year.

The major portion ($671,000) of the increase in the Board's net assets has been allocated by the Board of Directors as further contribution to a Research Reserve Fund (a restricted element of the Board's net assets). The Fund, now at a level of $1.2 million, was established by the Board of Directors in 2006. Comprised exclusively of financial resources earned by the Conference Board, it supports future capacity to undertake important mission-centred research. The use of the Fund is subject to the oversight of the Board of Directors and is guided by approved criteria.

No significant deficiencies in internal control were reported by the Board's auditors to the Board of Directors' Audit Committee. During the course of the year, a number of enhancements to the Board's performance management systems and practices were implemented, further strengthening the Board of Directors' oversight capacity.

Prior to the Board's May 31, 2007, year-end, the Board of Directors approved an Operating and Financial Plan for 2008. The Plan is designed to support and sustain the achievement of the key strategies and actions that the Board is committed to pursuing in the coming year.

AUDITORS' REPORT

To the Members

The accompanying summarized consolidated statements of financial position and operations are derived from the complete financial statements of The Conference Board of Canada as at May 31, 2007, on which we expressed an opinion without reservation in our report dated July 10, 2007. The fair summarization of the complete consolidated financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized consolidated financial statements.

In our opinion, the accompanying consolidated financial statements fairly summarize, in all material respects, the related complete consolidated financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized consolidated financial statements do not contain all of the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the The Conference Board of Canada's consolidated financial position, results of operations, changes in net assets, and cash flows, reference should be made to the related complete consolidated financial statements.

KPMG LLP

Chartered Accountants, Licensed Public Accountants
Ottawa, Canada
July 10, 2007

CONSOLIDATED SUMMARIZED STATEMENT OF FINANCIAL POSITION

As at May 31 ($ thousands)		**2007**	2006
ASSETS			
Cash and cash equivalents	$	**3,613**	4,456
Marketable securities (note 1)		**8,284**	7,241
Accounts receivable and other assets		**4,780**	4,115
Capital assets (note 2)		**4,922**	5,034
		21,599	20,846
LIABILITIES			
Accounts payable & accrued liabilities		**7,451**	7,583
Deferred revenue		**4,523**	4,609
	$	**11,974**	12,192
NET ASSETS (note 3)	$	**9,625**	8,654

CONSOLIDATED SUMMARIZED STATEMENT OF OPERATIONS

For the year ended May 31 ($ thousands)		**2007**	2006
REVENUES			
Programs and activities	$	**35,188**	33,822
Financial income, net		**369**	269
		35,557	34,091
EXPENSES			
Direct and indirect program expense		**27,485**	26,444
Corporate expense and depreciation		**7,101**	6,812
		34,586	33,256
Excess of revenues over expenses	$	**971**	835

NOTES

1. The carrying value of financial instruments, including marketable securities, approximate their fair value.
2. Capital assets purchased during the year totalled $578 (2006—$758).
3. Net assets include $1,206 of research reserve funds that have been internally restricted.

Complete audited consolidated financial statements are available on The Conference Board of Canada's website at www.conferenceboard.ca.

Governance and Management

BOARD OF DIRECTORS 2006–07

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Chief Executive Officer
Symcor Inc.

Past Chair

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President and CEO
TransAlta Corporation

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President and CEO
The Co-operators Group Limited

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National Bank of Canada

Thierry Vandal [1, 2]
President and CEO
Hydro-Québec

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2 Member of the Executive Committee
3 Member of the Governance Committee

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Canadian Senior Partner and CEO
PricewaterhouseCoopers LLP

Jay A. Forbes
Corporate Director
New Brunswick

Daniel J. Fortin
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IBM Canada Ltd.

David A. Ganong
President
Ganong Bros. Limited

Anne Golden
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The Conference Board of Canada

Jean-René Halde
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Brian Hayward
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McGill University

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CGI Group Inc.

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Sheila Weatherill
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Capital Health

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Prem P. Benimadhu
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Governance and Human Resource Management

Michael R. Bloom
Vice-President
Organizational Effectiveness and Learning

Jean-Pierre Boisclair
Vice-President and CFO

Perry Eisenschmid
Vice-President
Marketing, Sales and IT

Glen Hodgson
Senior Vice-President and Chief Economist

Barbara Hogberg
Executive Director
Human Resources

Gilles Rhéaume
Vice-President
Public Policy

(Left to right): Michael R. Bloom, Jean-Pierre Boisclair, Perry Eisenschmid, Glen Hodgson, Anne Golden, Prem P. Benimadhu, Gilles Rhéaume, and Barbara Hogberg

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